



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/990,123

11/21/2001

Albert R. DiPiero

40920/1:2

2798

3528

7590

03/13/2006

STOEL RIVES LLP

900 SW FIFTH AVENUE

SUITE 2600

PORTLAND, OR 97204-1268

EXAMINER

FRENEL, VANEL

ART UNIT

PAPER NUMBER

3626

DATE MAILED: 03/13/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/990,123

Applicant(s)

DIPIERO ET AL.

Examiner

Vanel Frenel

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 November 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17 and 29-38 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17 and 29-38 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date <u>142002 & 1182005. & 2252005</u> | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Notice to Applicant

1. This communication is in response to the application filed on 11/21/01. Claims 1-17 and 29-38 are pending.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-17 and 29-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kahn et al (2002/0184148) in view of Lencki et al (2002/0049617).

(A) As per claim 1, Kahn discloses a method of determining a directed contribution amount to an accruable health spending account for a member of an employer-sponsored health plan, comprising:

presenting an employer-funded defined contribution having a value for a given time period (See Kahn, Page 7, Paragraph 0136);

presenting at least one insurance premium option, the at least one insurance premium option defining an option cost for the given time period (See Kahn, Page 9, Paragraph 0156);

querying for a premium option selection based on the at least one insurance

Art Unit: 3626

premium option, the premium option selection including a selection allocation less than or equal to the option cost (See Kahn, Page 11, Paragraph 0169).

Kahn does not explicitly disclose that the method having receiving the premium option selection; and calculating the directed contribution amount by subtracting either the selection allocation or the option cost from the defined contribution value.

However, these features are known in the art, as evidenced by Lencki. In particular, Lencki suggests that the method having receiving the premium option selection (See Lencki, Page 16, Paragraphs 0197-0200); and calculating the directed contribution amount by subtracting either the selection allocation or the option cost from the defined contribution value (See Lencki, Page 4, Paragraphs 081-0086).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Lencki within the system of Kahn with the motivation of providing healthcare benefits and other traditional benefits such as Dental, Short/Long term disability, Life and Retirement are in need of change in order to meet the new needs of the workforce (See Lencki, Page 1, Paragraph 0007).

(B) As per claim 2, Lencki discloses the method, wherein the given time period comprises at least one of a group consisting essentially of a day, week, month, and year (See Lencki, Page 8, Paragraphs 0131-0132).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claim 1, and incorporated herein.

Art Unit: 3626

(C) As per claim 3, Kahn discloses the method wherein the defined contribution value, selection allocation, option cost, and the directed contribution amount are expressed in one or more units of currency (See Kahn, Page 15, Paragraphs 0223-0224).

(D) As per claim 4, Kahn discloses the method further comprising presenting the directed contribution amount (See Kahn, Page 15, Paragraphs 0224-0225).

(E) As per claim 5, Kahn discloses the method further comprising presenting a predicted contribution amount for the accruable health spending account, the predicted contribution amount based on either the defined contribution value or the option cost (See Kahn, Page 3, Paragraph 0026).

(F) As per claim 6, Kahn discloses the method wherein said directed contribution amount calculating step comprises subtracting the selection allocation from the defined contribution value (See Kahn, Page 3, Paragraph 0026).

(G) As per claim 7, Kahn discloses the method further comprising:
calculating a predicted contribution amount for the accruable health spending account by subtracting the option cost from the defined contribution value (See Kahn, Page 3, Paragraphs 0032-0034); and presenting the predicted contribution amount (See Kahn, Page 10, Paragraphs 0164-0166).

(H) As per claim 8, Kahn discloses the method further comprising:
calculating an out-of-pocket premium cost for the premium option selection by
subtracting the selection allocation from the option cost (See Kahn, Page 4,).

(I) As per claim 9, Kahn discloses the method further comprising presenting the
out-of-pocket premium cost (See Kahn, Page 10, Paragraphs 0158-0159).

(J) As per claim 10, Lencki discloses a method of paying an insurance premium of
an insurance policy covering a member of an employer-sponsored health plan, the
insurance policy defining a payor having a premium account, the method comprising:

A) calculating the out-of-pocket cost in accordance with the method of Claim 8,

B) transferring a first amount member funds to the premium account, the
first amount substantially equivalent to the calculated out-of-pocket premium cost (See
Lencki, Page 4, Paragraphs 0081-0082); and

C) transferring a second amount from employer funds to the premium account, the
second amount substantially equivalent to the selection allocation (See Lencki Page 13,
Paragraphs 0174-0177).

The motivation for combining the respective teachings of Kahn and Lencki are as
discussed in the rejection of claim 1, and incorporated herein.

Art Unit: 3626

(K) As per claim 11, Lencki discloses the method wherein said transferring steps B and C comprise a single financial transaction (See Lencki, Page 13, Paragraph 0180).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claim 1, and incorporated herein.

(L) As per claim 12, Lencki discloses the method wherein said transferring steps B and C comprise distinct financial transactions (See Lencki, Page 4, Paragraphs 0082-0089).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claim 1, and incorporated herein.

(M) As per claim 13, Kahn discloses the method wherein: the member funds are pre-tax; the accruable health spending account complies with section 105 of the Internal Revenue Code of 1986 (The Examiner interprets Keeping track of the legal payment and reporting requirements across federal, state and local authorities to be a form of Section 105 of the Internal Revenue Code of 1986 (See Kahn, Page 1, Paragraph 0004) ; and

said transferring step A complies with section 125 of the Internal Revenue Code of 1986 (The Examiner interprets Keeping track of the legal payment and reporting requirements across federal, state and local authorities to be a form of section 125 of the Internal Revenue Code of 1986 (See Kahn, Page 1, Paragraph 0004).

Art Unit: 3626

(N) As per claim 14, Kahn discloses a method of funding an accruable health spending account for a member of an employer-sponsored health plan, comprising:

determining the directed contribution amount in accordance with the method of Claim 1 (See Kahn, Page 15, Paragraphs 0223- 0224);

and

transferring a first amount from an employer funded account to the accruable health spending account for the member, the first amount substantially equivalent to the directed contribution amount determined in said determining step (See Kahn, Page 15, Paragraphs 0223- 0224).

(N) As per claim 15, Kahn discloses the method further comprising:

withdrawing a sum from the accruable health spending account to reimburse the member for a medical expense (See Kahn, Page 11, Paragraph 0178).

(O) As per claim 16, Kahn discloses the method further comprising:

withdrawing a first sum from a flexible spending account to reimburse the member for a medical expense (See Khan, Page 12, Paragraphs 0178-0179); and

withdrawing a second sum from the accruable health spending account to reimburse the member for the medical expense when the first sum is less than the medical expense (See Kahn, Page 11, Paragraph 0169).

Art Unit: 3626

(P) As per claim 17, Kahn discloses the method wherein the accruable health spending account complies with section 105 of the Internal Revenue Code of 1986 (The Examiner interprets Keeping track of the legal payment and reporting requirements across federal, state and local authorities to be a form of section 105 of the Internal Revenue Code of 1986 (See Kahn, Page 1, Paragraph 0004).

(Q) As per claim 29, Kahn discloses a method of managing health care spending by an employee comprising the steps of:

establishing an accruable health spending account for the benefit of the employee (See Kahn, Page 7, Paragraph 0136);

reimbursing the employee for qualified medical expenses incurred during a first accounting period by debiting the accruable health spending account (See Kahn, Page 22, Paragraphs 0333-0334).

Kahn does not explicitly disclose that the method having carrying forward any unused balance in the accruable health spending account for reimbursing the employee for qualified medical expenses incurred during a subsequent accounting period.

However, these features are known in the art, as evidenced by Lencki. In particular, Lencki suggests that the method having carrying forward any unused balance in the accruable health spending account for reimbursing the employee for qualified medical expenses incurred during a subsequent accounting period (See Lencki, Page 4, Paragraphs 0081-0083).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the features of Lencki within the system of Kahn with the motivation of providing healthcare benefits and other traditional benefits such as Dental, Short/Long term disability, Life and Retirement are in need of change in order to meet the new needs of the workforce (See Lencki, Page 1, Paragraph 0007).

(R) As per claim 30, Lencki discloses a method according to claim 29 and further comprising:

upon the employee moving to a new employer, establishing a new accruable health spending account associated with the new employer for the benefit of the employee (See Lencki, Page 4, Paragraphs 0081-0086); and transferring any unused balance in the accruable health spending account to the new accruable health spending account so that the account is portable (See Lencki, Page 4, Paragraphs 0081-0086).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(S) As per claim 31, Lencki discloses a method according to claim 29 and further comprising:

determining a defined contribution made by the employee's employer for the employee's health care expenses (See Lencki, Page 4, Paragraphs 0081-0086);

selecting a healthcare insurance option available to the employee, and the premium charge associated with the selected insurance option (See Lencki, Page 3, Paragraphs 0078-0079);

allocating a portion of the defined contribution toward payment of the premium charge associated with the selected insurance option (See Lencki, Page 15, Paragraphs 0188-0190); and

crediting to the accruable health spending account a directed contribution amount equal to the defined contribution less the portion allocated for payment of the premium charge (See Lencki, Page 16, Paragraphs 0198-0200).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(T) As per claim 32, Lencki discloses a method according to claim 31 wherein the selecting a healthcare insurance option comprises selection by the employee utilizing a computer arranged to display the healthcare insurance options available to the employee together with the premium charge associated with each insurance option (See Lencki, Page 4, Paragraphs 0081-0084).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(U) As per claim 33, Lencki discloses a method according to claim 31 wherein the allocating a portion of the defined contribution comprises allocation by the employee

Art Unit: 3626

utilizing a computer arranged to display the healthcare insurance options available to the employee, together with the premium charge associated with each insurance option, and an indication of the defined contribution (See Lencki, Page 4, Paragraphs 0081-0084).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(V) As per claim 34, Lencki discloses a method according to claim 31 and further comprising paying a portion of the premium charge associated with the selected insurance option through a payroll deduction plan (See Lencki, Page 7, Paragraphs 0127-0128).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(W) As per claim 35, Kahn discloses a method according to claim 34 wherein the payroll deduction plan is an IRS section 125 plan (The Examiner interprets Keeping track of the legal payment and reporting requirements across federal, state and local authorities to be a form of IRS section 125 plan (See Kahn, Page 1, Paragraph 0004).

(X) As per claim 36, Lencki discloses a method according to claim 31 including imposing a limitation on said allocating a portion of the defined contribution, based on

Art Unit: 3626

the premium charge associated with the selected insurance option (See Lencki, Page 7, Paragraphs 0127-0128).

The motivation for combining the respective teachings of Kahn and Lencki are as discussed in the rejection of claims 1 and 29, and incorporated herein.

(Y) As per claim 37, Kahn discloses a method according to claim 29 wherein said debiting the accruable health spending account comprises the use of a debit card or credit card associated with the accruable health spending account (See Kahn, Page 28, Paragraph 0437).

(Z) As per claim 38, Kahn discloses a method according to claim 29 wherein the accruable health spending account is not individually funded but instead is associated with a pooled fund maintained by the employer (See Kahn, Page 28, Paragraph 0437).

Conclusion

4. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The cited but not the applied art teaches system and method for management of health care services (2003/0009355), integrated nested account financial system with medical savings subaccount (6, 108,641), system for funding, analyzing and managing health care liabilities (5,136,502) and method and system for controlling an employer's health care costs while enhancing an employees's health care benefits (2001/0037214).

Art Unit: 3626


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Vanel Frenel whose telephone number is 571-272-6769. The examiner can normally be reached on 6:30am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on 571-272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

V.F
V.F

March 3, 2006


C. LUKE GILLIGAN
PATENT EXAMINER